

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**(Formerly Known as the Center for Domestic**  
**Violence Prevention/Sor Juana Ines)**  
**(A NONPROFIT PUBLIC BENEFIT CORPORATION)**

**REPORT ON AUDIT OF FINANCIAL STATEMENTS**  
**AND ADDITIONAL INFORMATION**

**YEAR ENDED JUNE 30, 2008**  
**(WITH SUMMARIZED FINANCIAL INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2007)**

DATE RECEIVED:



AUDIT REVIEW #(s) 04460

Assigned To: Armstrong

Date Reviewed: 2/26/09

Reviewer's Initials: RD

Date Review(s) Completed: 2/26/09

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*Patricia A. Wintroath, CPA*

Independent Auditor's Report

December 28, 2008

Board of Directors  
Community Overcoming Relationship Abuse  
Burlingame, California

I have audited the accompanying statement of financial position of Community Overcoming Relationship Abuse as of June 30, 2008, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Community Overcoming Relationship Abuse's management. My responsibility is to express an opinion on these financial statements based on my audit. The prior year summarized comparative information has been derived from the Organization's June 30, 2007 financial statements and, in my report dated November 17, 2007, I expressed an unqualified opinion on those financial statements.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Overcoming Relationship Abuse as of June 30, 2008, and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 28, 2008 on my consideration of Community Overcoming Relationship Abuse's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Community Overcoming Relationship Abuse taken as a whole. The accompanying schedule of expenditures of federal awards is presented on page 15 and the additional information is presented on pages 14 - 16 for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Patricia A. Wintroath, CPA*

Patricia A. Wintroath, CPA

# COMMUNITY OVERCOMING RELATIONSHIP ABUSE

## STATEMENT OF FINANCIAL POSITION

JUNE 30, 2008

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)

	Unrestricted		Temporarily Restricted	Total All Funds	
	General	Property and Equipment		2008	2007
<u>ASSETS</u>					
CURRENT ASSETS:					
Cash and cash equivalents	\$323,824	\$	\$210,773	\$534,597	\$803,636
Grants receivable (Note C)	454,096			454,096	676,710
Accounts and pledges receivable	32,897			32,897	18,196
Prepaid expenses	41,709		23,383	65,092	59,259
TOTAL CURRENT ASSETS	852,526	0	234,156	1,086,682	1,557,801
INVESTMENTS (Note D)	1,941,121			1,941,121	2,015,414
PROPERTY AND EQUIPMENT, net of accumulated depreciation and amortization at June 30, 2008 and 2007 of \$443,548 and \$397,529, respectively. (Note E)					
		779,386		779,386	645,472
DEPOSITS	26,258			26,258	17,083
TOTAL ASSETS	<u>\$2,819,905</u>	<u>\$779,386</u>	<u>\$234,156</u>	<u>\$3,833,447</u>	<u>\$4,235,770</u>
<u>LIABILITIES AND NET ASSETS</u>					
CURRENT LIABILITIES:					
Accounts payable and accrued expenses	\$100,975	\$	\$	\$100,975	\$101,102
Accrued wages	32,619			32,619	\$0
Accrued vacations	49,652			49,652	59,491
Line of credit (Note F)				0	0
Deferred revenue (Note G)			24,736	24,736	366,251
Client savings account			2,837	2,837	10,062
Current portion of long term debt (Note H)		977		977	8,333
TOTAL CURRENT LIABILITIES	183,246	977	27,573	211,796	545,239
LONG TERM DEBT (Note H)		434,577		434,577	435,505
COMMITMENTS AND CONTINGENCIES (Note I)					
NET ASSETS (Notes B & J)	<u>2,636,659</u>	<u>343,832</u>	<u>206,583</u>	<u>3,187,074</u>	<u>3,255,026</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$2,819,905</u>	<u>\$779,386</u>	<u>\$234,156</u>	<u>\$3,833,447</u>	<u>\$4,235,770</u>

# COMMUNITY OVERCOMING RELATIONSHIP ABUSE

## STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2008

(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)

	Unrestricted		Temporarily Restricted	Total All Funds	
	General	Property and Equipment		2008	2007
<b>SUPPORT AND REVENUE</b>					
Support:					
Foundations	\$78,199	\$	\$292,550	\$370,749	\$265,699
Religious and community organizations	23,397		2,800	26,197	43,665
Business donations	14,046		1,150	15,196	441,003
Individual donations	67,934		185,044	252,978	80,417
In-kind donations (Note B)	443,678			443,678	335,971
Total Support	627,254	0	481,544	1,108,798	1,166,755
Revenue:					
Government			1,578,016	1,578,016	1,615,894
Court ordered clients	39,171			39,171	20,608
Fees for service	150			150	1,485
Other revenue	4,351			4,351	3,864
Investment income	68,274			68,274	74,682
Unrealized gain (loss) on investments	(171,763)			(171,763)	210,367
Realized gain (loss) on investments	38,804			38,804	15,019
Gain (loss) on disposal of assets	0			0	25
Special events	308,583			308,583	168,844
Total Revenue	287,570	0	1,578,016	1,865,586	2,110,788
Net Assets Released From Restrictions	1,831,779	142,198	(1,973,977)	0	0
<b>TOTAL SUPPORT AND REVENUE</b>	<b>2,746,603</b>	<b>142,198</b>	<b>85,583</b>	<b>2,974,384</b>	<b>3,277,543</b>
<b>EXPENSES</b>					
Program					
Client Support Services/Emergency Response	835,213			835,213	845,053
Clinical	102,754			102,754	0
Community Education	265,543			265,543	444,225
Legal Services	315,087			315,087	383,427
Shelter Program (Housing)	629,693			629,693	652,565
Volunteer Program	104,201			104,201	136,873
Total program expenses	2,252,491			2,252,491	2,462,143
Support					
Management and General	323,462			323,462	314,007
Fundraising	466,383			466,383	208,380
Total support expenses	789,845			789,845	522,387
<b>TOTAL EXPENSES</b>	<b>3,042,336</b>	<b>0</b>	<b>0</b>	<b>3,042,336</b>	<b>2,984,530</b>
<b>CHANGE IN NET ASSETS</b>	<b>(295,733)</b>	<b>142,198</b>	<b>85,583</b>	<b>(67,952)</b>	<b>293,013</b>
<b>NET ASSETS, beginning of year</b>	<b>2,932,392</b>	<b>201,634</b>	<b>121,000</b>	<b>3,255,026</b>	<b>2,962,013</b>
<b>NET ASSETS, end of year</b>	<b>\$2,636,659</b>	<b>\$343,832</b>	<b>\$206,583</b>	<b>\$3,187,074</b>	<b>\$3,255,026</b>

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2008**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)**

	Client Services/ERP	Community Education			Legal Services	Shelter Program	Volunteer Program	Total Program	Management and General	Fundraising	Total Support	Total All Funds	
		Outreach	Education	Teen Education								2008	2007
Salaries	\$417,440	\$71,618	\$64,416	\$53,291	\$185,558	\$252,492	\$41,592	\$1,086,407	\$146,467	\$201,525	\$347,992	\$1,434,399	\$1,497,089
Payroll taxes	35,833	5,925	5,312	4,615	15,920	21,032	3,548	92,185	15,738	16,361	32,099	124,284	127,377
Employee benefits	51,919	8,998	6,387	5,647	27,454	29,282	4,977	134,664	29,732	21,904	51,636	186,300	184,792
Total personnel expenses	505,192	86,541	76,115	63,553	228,932	302,806	50,117	1,313,256	191,937	239,790	431,727	1,744,983	1,809,258
Travel	7,068	940	1,932	142	3,337	18,962	208	32,589	592	415	1,007	33,596	23,438
Training and education	10,065	1,272	3,175	1,564	8,051	6,647	4,255	35,029	2,159	1,122	3,281	38,310	70,829
Meals and entertainment	2,174	715	222	732	1,847	1,847	1,829	7,519	8,943	789	9,732	17,251	18,960
Rent	52,235	9,035	4,455	2,978	16,760	82,676	5,669	173,808	15,343	15,046	30,389	204,197	246,829
Utilities	4,392					8,239		8,239			0	8,239	6,513
Emergency lodging						1,398		5,790			0	5,790	6,137
Repairs and maintenance						22,659		22,659	265		265	22,924	17,657
Office expense	15,174	2,067	1,032	787	3,829	10,299	2,187	35,375	4,982	7,994	12,976	48,351	42,065
Telephone	19,549	2,266	1,088	701	5,027	10,996	1,413	41,040	3,786	3,771	7,557	48,597	45,544
Postage	1,439	246	143	87	521	903	155	3,494	617	3,744	4,361	7,855	8,117
Printing	1,877	181	438	72	462	806	104	3,940	370	20,072	20,442	24,382	17,517
Program activities	1,468					2,869	2,206	6,543	341		341	6,884	8,466
Program supplies	238	109	16	10	30	10,546		10,949		608	608	11,557	13,517
Bank charges										2,401	2,401	2,401	592
Insurance	3,209	550	279	192	3,045	3,748	1,142	12,165	4,738	916	5,654	17,819	16,006
Taxes						870		870			0	870	1,326
Interest expense						2,232		2,232			0	2,232	3,368
Dues and subscriptions	100	75			2,875	50		3,100	2,000	496	2,496	5,596	6,083
Advertising and promotion	3,376	1,188	225	150	375	1,201	200	6,715	925	850	1,775	8,490	1,963
Professional fees	127,461	2,638	1,266	11,651	6,934	30,184	3,130	183,264	82,258	36,782	119,040	302,304	222,436
Other fees					824	7		831	432		432	1,263	5,652
Depreciation	6,448	1,221	424	98	2,108	31,095	703	42,097	2,019	1,903	3,922	46,019	44,341
Special event expenses									32	101,761	101,793	101,793	6,505
Miscellaneous expenses	90	775			78	73,593		943	873		873	1,816	5,440
Donated materials	19,476	420			9,737			103,226	15,084		15,084	118,310	112,635
Donated services	54,182	54,140	10,354	20,769	21,430	5,060	30,883	196,818	850	12,839	13,689	210,507	223,336
Total expenses	\$835,213	\$164,379	\$101,164	\$102,754	\$315,087	\$629,693	\$104,201	\$2,252,491	\$323,462	\$466,383	\$789,845	\$3,042,336	\$2,984,530

See Notes to Financial Statements

COMMUNITY OVERCOMING RELATIONSHIP ABUSE  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2008  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED JUNE 30, 2007)

	Unrestricted		Temporarily Restricted	Total All Funds	
	General	Property and Equipment		2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:					
Change in Net Assets	(\$295,733)	\$142,198	\$85,583	(\$67,952)	\$293,013
Adjustment to reconcile change in net assets to cash provided (used) by operating activities:					
Depreciation		46,019		46,019	44,341
	(295,733)	188,217	85,583	(21,933)	337,354
CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES					
(Increase) decrease in grants receivable	(109,380)		331,994	222,614	13,282
(Increase) decrease in accounts and pledges receivable	(14,701)			(14,701)	(14,424)
(Increase) decrease in prepaid expenses	(5,256)		(577)	(5,833)	(26,290)
(Increase) decrease in deposits	(9,175)			(9,175)	70
Increase (decrease) in accounts payable and accrued expenses	(127)			(127)	11,240
Increase (decrease) in accrued wages	32,619			32,619	0
Increase (decrease) in accrued vacations	(9,839)			(9,839)	(8,052)
Increase (decrease) in deferred revenue			(341,515)	(341,515)	34,257
Increase (decrease) in client savings account			(7,225)	(7,225)	9,620
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(411,592)	188,217	68,260	(155,115)	357,057
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchase of securities	(80,785)			(80,785)	(87,539)
Unrealized (gain) loss on investments	171,763			171,763	(159,543)
Realized (gain) loss on investments	(16,685)			(16,685)	(15,019)
(Gain) Loss on disposal of equipment				0	0
Equipment and property purchases		(166,672)		(166,672)	(394,198)
Equipment and property donations		(13,261)		(13,261)	0
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	74,293	(179,933)	0	(105,640)	(656,299)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Borrowing on long term loan				0	331,069
Borrowing on line of credit					0
Repayments on loans/ Line of credit		(8,284)		(8,284)	(13,648)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	0	(8,284)	0	(8,284)	317,421
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(337,299)	0	68,260	(269,039)	18,179
CASH AND CASH EQUIVALENTS, beginning of year	661,123	0	142,513	803,636	785,457
CASH AND CASH EQUIVALENTS, end of year	\$323,824	\$0	\$210,773	\$534,597	\$803,636
SUPPLEMENTAL INFORMATION:					
Interest paid				\$2,232	\$3,368

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2008**

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**NOTE A - ORGANIZATION**

General – Community Overcoming Relationship Abuse (CORA (the Organization) is a California nonprofit public benefit corporation incorporated on November 22, 1977. The Organization was previously known as the Center for Domestic Violence Prevention/Sor Juana Ines. The Organization's primary mission is to end domestic violence/abuse in the individual lives of women in San Mateo County, California, through intervention and prevention. A board of Directors comprising of sixteen members governs the Organization.

In September 2002, the Sor Juana Ines Services for Abused Women's board of Directors approved a plan to dissolve and then merge into the Center for Domestic Violence Prevention. During January 2003, the Organization moved into the facilities of the Center for Domestic Violence Prevention and began sharing expenses. The dissolution of Sor Juana Ines Services for Abused Women was completed September 17, 2003.

In furtherance of its purpose, the Organization provides the following basic services for victims of domestic violence and their children:

- a) Emergency shelter, including moteling, on a twenty-four hours a day, seven days a week basis;
- b) Twenty-four hours a day, seven days a week support line and emergency response to law enforcement calls;
- c) Transitional housing and support services;
- d) Psychological support and peer counseling;
- e) Legal assistance and representation so that domestic violence victims can obtain restraining orders, and a legal information line to answer domestic violence related legal questions;
- f) Referral systems to ensure provision of medical care, legal assistance, counseling, and information regarding education, job counseling and training programs, housing referrals and other available social services.

Prevention services include community education to teens and adults, including underserved communities (e.g. Latino, Filipino, etc.).

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting and Reporting - The Organization maintains its accounting records on the accrual basis of accounting.

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts of the Organization are maintained in



**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2008**

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**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

accordance with the principles of fund accounting. Fund accounting is the procedure by which resources for the various programs are classified for accounting and reporting according to the activities and objectives specified by donors, grantors, officials and governing boards. Separate accounts are maintained for each program.

Estimates - In preparing financial statements in conformity with Generally Accepted Accounting Principles, management must make estimates based on future events that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities as of the date of the financial statements; and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents - The Organization's cash and cash equivalents balance consists of amounts held in checking and savings accounts in large financial institutions.

Property and Equipment - Furniture and equipment are stated at cost. Donated equipment is recorded at its estimated fair market value. Expenditures for property and equipment are capitalized. Depreciation for property and equipment is calculated using the straight-line method over the useful life of each asset. The useful life of these assets ranges from three to forty years. When assets are retired or sold, the related cost and accumulated depreciation are removed from the accounts and any gain or loss arising from such disposition is included as revenue or expense. Expenditures for repairs and maintenance are charged to expense as incurred.

Donated materials and Services - Donated materials recorded at their fair value at the date of donation. In addition, a substantial number of individuals have donated significant amounts of their time to the Organization, primarily through program activities. These services are reflected in the accompanying financial statements using a valuation of the services based on an estimate of the fair value at the time of the donation. Donated services by individuals providing administration services are not recorded as donated services as there are no special skills required for these services. During the year ended June 30, 2008, the organization received approximately 10,718 hours of volunteer services.

Functional Allocation of Expenses - Costs of providing the various programs have been summarized on a functional basis in the accompanying statement of functional expenses.

Income Taxes - The Organization is a Section 501(c)(3) organization exempt from income taxes under Section 501(a) of the Internal Revenue Code and Section

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2008**

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

23701(d) of the California Revenue and Taxation Code. There was no taxable unrelated business income during the year ended June 30, 2008.

Contributions and Grant Revenue - The Organization receives contributions and grants from governmental entities, foundations and individuals. The Organization has adopted the provisions of Statements of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made", and 117, "Financial Statements for Not-for-Profit Organizations."

The provisions of SFAS 116 require the Organization to recognize contributions and grants as either temporarily or permanently restricted support, if they are received with donor stipulations that limit the use of the contribution or grant. When a temporary restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

All other contributions are recognized upon receipt. Performance revenue is recognized as earned. Amounts received but not yet earned are reported as deferred revenue.

Other support and revenue, such as interest income, proceeds from fund-raising, and expenses, are accounted for using the accrual method. Government contracts include federal pass-through funds, which are identified in the Schedule of Expenditures of Federal Awards.

Financial Statement Presentation - Under SFAS No. 117, the Organization is required to report information regarding their financial position and activities according to three classes of net assets: unrestricted, temporarily restricted and permanently restricted net assets.

Summarized Financial Information for 2007 - The financial information for the year ended June 30, 2007, presented for comparative purposes, and is not intended to be a complete financial statement presentation.

Reclassifications - Certain reclassifications have been made in the 2007 comparative totals to conform to the classifications used in 2008.

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2008**

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**NOTE C – GRANTS RECEIVABLE**

Grants receivable consisted of the following amounts at June 30, 2008:

City of Daly City - CDBG	\$ 6,136
City of San Mateo - RDA	6,536
County of San Mateo - CCAT	9,358
County of San Mateo - ESG	6,750
County of San Mateo - HSA Child & Family Services	16,060
County of San Mateo - Probation Trust	18,750
County of San Mateo - Filipino Mental Health Initiative	1,429
County of San Mateo - Other	10,000
County of San Mateo - TANF	72,368
California Office of Emergency Services - DVAP	99,643
California Department of Health Services	110,664
Department of Justice	18,023
Department of Housing and Urban Development	77,479
Other	<u>900</u>
Total Grants Receivable	<u>\$454,096</u>

The organization does not believe that an allowance for doubtful accounts is required for any of the grant receivable as of 6/30/08.

**NOTE D – INVESTMENTS**

Investments for the year ended June 30, 2008, consisted of the following:

<u>Type</u>	<u>Cost Basis</u>	<u>Fair Market Value</u>	<u>Unrealized Gain/(Loss)</u>
Stocks & Mutual Funds	\$1,301,333	\$1,385,896	\$84,563
Corporate Obligations	84,905	85,083	178
Government Obligations	<u>463,649</u>	<u>470,142</u>	<u>6,493</u>
Total	<u>\$1,849,887</u>	<u>\$1,941,121</u>	<u>\$91,234</u>

The principal balance of these investments has been designated by the Board of Directors as an Endowment Fund.

**NOTE E – PROPERTY AND EQUIPMENT**

Property and Equipment as of June 30, 2008, consisted of the following:

Building and Improvements	\$ 951,835
Land	34,640
Shelter Furniture and equipment	53,934
Office Furniture and equipment	168,679

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2008**

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NOTE E – PROPERTY AND EQUIPMENT (Continued)

Telephone System Capital Lease	<u>13,846</u>
	1,222,934
Less: Accumulated Depreciation	<u>443,548</u>
	<u>\$ 779,386</u>

Depreciation and amortization expense for the years ended June 30, 2008 and 2007 was \$46,019 and \$44,341, respectively.

NOTE F – LINE OF CREDIT

The Organization holds a line of credit with Wells Fargo Bank with a maximum borrowing limit of \$500,000. At June 30, 2008, the interest rate on the line was Prime plus 1.00%. The outstanding balance at June 30, 2008 was \$0.

NOTE G – DEFERRED REVENUE

Deferred revenue consisted of the following amounts at June 30, 2008:

Take a Hike - Event	<u>\$24,736</u>
Total deferred revenue	<u>\$24,736</u>

NOTE H – LONG TERM DEBT

The long term debt of the organization consisted of the following loans at June 30, 2008. The loans below have been categorized as payable, and forgivable based on the terms of each loan.

Payable Loans:

In July 1993, CORA borrowed \$50,000 from the City of San Mateo to renovate and install fire alarm and security systems in the Shelter. The note bears interest at 5%. Payments on the note are deferred for 20 years. The note is due and payable on September 1, 2013, and is secured by a Deed of Trust on the land and building. The Organization has chosen to prepay the City of San Mateo with monthly installments of \$250, beginning September 1, 1993.

40,554

In July 1993 CORA borrowed \$50,000 from the County of San Mateo to renovate and install fire alarm and Security systems in the Shelter. The note bears interest

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2008**

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NOTE H – LONG TERM DEBT (Continued)

at 5%. Payments on the note are deferred for 20 years. The Organization is currently negotiating to have the loan forgiven at the end of the 20 year period. The accrued interest through June 30, 2008 is \$55,679. This interest has not been entered on the books of the Organization. 50,000

In April 2006, CORA entered into an agreement, with the City of San Mateo to borrow \$145,000 to renovate the Shelter to include Disabled Access. The note bears interest at 3%. Payments on the note are deferred for 20 years. The note is due on July 1, 2026 and is secured by a Deed of Trust on the land and building. The accrued interest through June 30, 2008 is \$8,950. This interest has not been entered on the books of the Organization. 145,000

In June 2006, CORA entered into an agreement, with the County of San Mateo to borrow \$200,000 for rehabilitation of the Shelter. The note bears interest at 3% simple interest. Payments on the note are deferred for 30 years. The note is due on June 1, 2036. The accrued interest through June 30, 2008 is \$12,858. This interest has not been entered on the books of the Organization. 200,000

\$435,554

Less current portion 977

\$434,577

Aggregate maturities on long-term debt for each of the next five years and subsequent periods are as follows:

Year Ended June 30,	
2009	\$ 977
2010	1,045
2011	1,098
2012	1,155
2013	1,214
Subsequent	<u>430,065</u>
	<u>\$435,554</u>

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2008**

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NOTE H – LONG TERM DEBT (Continued)

Forgivable Loans:

A loan from the City of San Mateo, in the amount of \$25,000, was received December 1, 1980. This loan was used to make renovations to the Shelter. The note is due when the property is sold or transferred and secured by a Deed of Trust on the land and building. The note does not bear interest. The Organization has no intention of selling or transferring the property and, therefore, the liability has not been recorded in the books.

The Organization deems the default of any of the above notes due to unallowed operations remote since the use of the Transitional House and Shelter House properties facilitates the mission of the Organization.

NOTE I - COMMITMENTS AND CONTINGENCIES

The Organization leases office space from Silver Key Properties, Ltd. A BVI Company, for a base monthly rent of \$8,717, with an increase of \$1.05 per RSF per month for the second year, \$1.10 per RSF per month for the third year, \$1.15 per RSF per month for the fourth year, and \$1.20 per RSF per month for the fifth year. The increase in the base monthly rent will occur on February 1 of each year. The lease expense for the years ended June 30, 2008 and 2007 was \$121,231 and \$118,557, respectively.

The organization rents storage space from U-Stor-It on a month to month basis. The rent expense for the years ended June 30, 2008 and 2007 was \$1,200 and \$1,200, respectively.

The organization rents storage space from Security Public Storage on a month to month basis. The rent expense for the years ended June 30, 2008 and 2007 was \$2,055 and \$1,449, respectively.

The following is a schedule, by year, of future minimum rentals under the leases at June 30, 2008:

<u>Year</u>	<u>Amount</u>
2009	\$134,354
2010	85,103
2011	7,920

Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms it has accommodated the objectives of the



**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED JUNE 30, 2008**

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**NOTE I - COMMITMENTS AND CONTINGENCIES (Continued)**

organization to the provisions of the grant. Management is of the opinion that the organization has complied with the terms of all grants.

The Organization receives a substantial amount of its support from the State of California, and the County of San Mateo. The Organization's programs and activities are dependent upon the availability of these funds. A significant reduction in the level of government support may impact the ability of the Organization to remain a going concern. The amount that would be considered a significant reduction in funding from government agencies cannot be determined as of the financial statement date.

The Organization has instructed its independent auditors to audit the cost related to U.S. government funds to ensure compliance with Circular A-133 issued by the U.S. Office of Management and Budget for the year ended June 30, 2008. Management believes that matters arising from governmental agencies' review of the independent auditors' reports for the year ended June 30, 2008 will not have a material effect on the financial position of the organization.

**NOTE J – NET ASSETS**

At June 30, 2008, the Organization's temporarily restricted net assets consisted of the following grants:

Legal Program funding	\$ 91,000
Blue Shield	65,583
Silicon Valley Community Foundation	<u>50,000</u>
Total Temporarily Restricted Net Assets	<u>\$206,583</u>

**NOTE K - CONCENTRATION OF CREDIT RISK**

The financial instruments, which potentially subject the Organization to concentrations of credit risk, consist principally of cash and temporary cash investments. The cash balance held at a financial institution was in excess of federally insured limits. The Organization places its temporary cash investments with high-credit, high quality financial institutions. The Organization believes no significant concentration of credit risk exists with respect to these cash investments. The balance of the cash account in this institution at June 30, 2008 was \$256,000. The Organization has a cash account with a brokerage firm. This cash account is not federally insured. The balance of the cash account in this institution at June 30, 2008 was \$103,584.

## ADDITIONAL INFORMATION



COMMUNITY OVERCOMING RELATIONSHIP ABUSE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2008

Federal Grantor Pass-through Grantor/State Pass-through Grantor/County Program Title	Federal CFDA Number	Pass-through Grantor's Contract Number	Contract Period	Award Amount	Amount Expended 2008
<b>FEDERAL AWARDS:</b>					
<b>Department of Housing and Urban Development</b>					
Supportive Housing Program	14.235	CA01B512020	12/1/06-11/30/07	\$225,375	\$69,893
Supportive Housing Program	14.235	CA01B612016	12/1/07-11/30/08	225,375	77,479
				<u>450,750</u>	<u>147,372</u>
Passed through City of Daly City Community Development Block Grant	14.228	N/A	7/01/07-6/30/08	9,500	9,500
Passed through City of Daly City Community Development Block Grant	14.228	N/A	7/01/07-6/30/08	5,000	5,000
Passed through City of Redwood City Community Development Block Grant	14.228	N/A	7/01/07-6/30/08	15,000	15,000
Passed through City of South San Francisco Community Development Block Grant	14.228	N/A	7/01/07-6/30/08	4,000	4,000
				<u>33,500</u>	<u>33,500</u>
Passed through County of San Mateo Emergency Shelter for Domestic Violence Survivors	14.231	N/A	7/01/07-6/30/08	27,000	27,000
<b>Department of Health and Human Services</b>					
Passed through State of California Passed through County of San Mateo Probation Dept. TANF	93.558	32000-05-C247	1/1/05-6/30/08	496,036	144,736
Passed through State of California Office of Emergency Services Domestic Violence Services Domestic Violence Assistance Program - FVPS	93.671	DV07181415	7/01/07-6/30/08	64,237	64,237
<b>U.S. Department of Justice</b>					
Passed through State of California Office of Emergency Services Domestic Violence Services Domestic Violence Assistance Program - VOCA	16.575	DV07181415	7/01/07-6/30/08	98,520	98,520
Domestic Violence Assistance Program - VAWA	16.588	DV07181415	7/01/07-6/30/08	5,195	5,195
Legal Assistance for Victims Grant Program	16.524	2005-WL-AX-0022	7/1/05-10/31/09	355,000	87,088
<b>Total Federal Awards</b>				<u>\$1,530,238</u>	<u>\$607,648</u>
<b>STATE AWARDS:</b>					
<b>California Department of Public Health</b>					
Maternal, Child and Adolescent Health Branch Shelter Based Services	N/A	05-45024	7/1/05-6/30/10	\$2,213,476	\$442,658
<b>Office of Emergency Services</b>					
Domestic Violence Assistance Program	N/A	DV07181415	7/01/07-6/30/08	\$32,118	\$32,118
<b>California Children's Trust Fund</b>					
Passed through County of San Mateo Children's Collaborative Action Team (CCAT)	N/A	74200-06-C154	9/1/05-6/30/08	\$99,000	\$33,000
<b>Total State Awards</b>				<u>\$2,344,594</u>	<u>\$507,776</u>
<b>Total Awards</b>				<u>\$3,874,832</u>	<u>\$1,115,424</u>

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2008**

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NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Community Overcoming Relationship Abuse and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – FEDERAL EXPENDITURES

The amount of federal expenditures represents the amount of federal funds expended during the fiscal year ended June 30, 2008

## ADDITIONAL REPORTS



*Patricia A. Wintroath, CPA*

Report on Internal Control over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in accordance with  
*Government Auditing Standards*

December 28, 2008

Board of Directors  
Community Overcoming Relationship Abuse  
Burlingame, California

I have audited the financial statements of Community Overcoming Relationship Abuse as of and for the year ended June 30, 2008, and have issued my report thereon dated December 28, 2008. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Community Overcoming Relationship Abuse's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Community Overcoming Relationship Abuse's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements, that is more than inconsequential, will not be prevented or detected by the organization's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or

material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Overcoming Relationship Abuse's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Directors, audit committee, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Patricia A. Wintroath, CPA". The signature is written in a cursive, flowing style.

Patricia A. Wintroath, CPA



*Patricia A. Wintroath, CPA*

Report on Compliance with Requirements Applicable to Each Major Program and on  
Internal Control over Compliance in Accordance with OMB Circular A-133

December 28, 2008

Board of Directors  
Community Overcoming Relationship Abuse  
Burlingame, California

Compliance

I have audited the compliance of Community Overcoming Relationship Abuse with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Community Overcoming Relationship Abuse's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Community Overcoming Relationship Abuse's management. My responsibility is to express an opinion on Community Overcoming Relationship Abuse's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community Overcoming Relationship Abuse's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Community Overcoming Relationship Abuse's compliance with those requirements.

In my opinion, Community Overcoming Relationship Abuse complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

### Internal Control over Compliance

The management of Community Overcoming Relationship Abuse is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered Community Overcoming Relationship Abuse's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Community Overcoming Relationship Abuse's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

My consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Board of Directors, audit committee, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Patricia A. Wintroath, CPA".

Patricia A. Wintroath, CPA

**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**YEAR ENDED JUNE 30, 2008**

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There were no prior year audit findings.



**COMMUNITY OVERCOMING RELATIONSHIP ABUSE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2008**

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**SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the financial statements of Community Overcoming Relationship Abuse
2. No significant deficiencies relating to the audit of the financial statements are reported in the *Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Community Overcoming Relationship Abuse were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the *Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133*.
5. The Auditor's report on compliance for major federal award programs for Community Overcoming Relationship Abuse expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in this Schedule. (No findings were noted.)
7. The programs tested as major programs include: Department of Housing and Urban Development, Supportive Housing Program, CFDA No. 14.235; Department of Housing and Urban Development, Federal Emergency Shelter Program, CFDA No. 14.231; Department of Housing and Urban Development, Community Development Block Grant, CFDA No. 14.228; U.S. Department of Health and Human Services, TANF, CFDA No. 93.558.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Community Overcoming Relationship Abuse qualified as a low risk auditee.

**FINDINGS – FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None